

Minister's Message Long-Term Energy Plan 2017

I am very proud of the course we have set with *Delivering Fairness and Choice*. The investments we made over the past decade and a half are paying off, and allow us to make an important promise to Ontario's electricity consumers: we will strive to give customers more choices in their energy use and ensure that Ontarians, their families and their future are at the heart of everything we do.

The *2017 Long-Term Energy Plan* is built on years of investment that Ontarians have made in the province's electricity system. We now have a reliable electricity system that is 90% free of the emissions causing climate change. Children can play outside without their health being threatened by smog and air pollution. We have a robust electricity supply that is expected to be sufficient to meet Ontario electricity demand into the middle of the next decade, which leaves us well positioned to plan for and meet any future challenges.

Our success in building a clean and reliable energy system means we can renew our focus on helping Ontarians and their families. The government has already brought in a number of measures to reduce electricity costs. The *Fair Hydro Act* has reduced electricity bills for residential consumers by an average of 25%, and will ensure that electricity rates won't rise by more than the rate of inflation for four years. As many as half a million small businesses and farms are also benefitting. Lower-income Ontarians and those living in eligible rural and northern communities are receiving even greater reductions, as much as 40 to 50%. The *2017 Long-Term Energy Plan* continues our focus on managing electricity system costs over the long term.

The *2017 Long-Term Energy Plan* would not have been possible without your suggestions and advice. The engagements that led to this plan were among the most extensive this Ministry has ever undertaken. Thousands of you wrote to us in person or on-line. Hundreds came to the 17 open houses that were held across the province. We met with representatives of over 100 different First Nation and Métis organizations and communities, and made it a priority to understand the distinctive views of Indigenous communities in Ontario.

During these meetings, we heard consumers say, among other things, that they wanted more control and choice over how they use electricity. The *2017 Long-Term Energy Plan* responds to that. It recognizes, for instance, that senior citizens in Mississauga use energy differently than a family in North Bay. Time-of-use pricing pilots that are currently underway will inform decisions on new electricity pricing plans that will give consumers better ability to shift and reduce consumption to manage their bills.

The government and its agencies are also ensuring utilities are more accountable to consumers for the quality of service they provide. The new *Consumer Charter* from the

Ontario Energy Board sets out the rights of the province's 8.3 million¹ electricity and natural gas customers, as well as their responsibilities.

Delivering Fairness and Choice will also help all Ontarians adjust to a rapidly changing energy future. Consumers have become more engaged in their energy use and are looking at ways to manage and generate their own power; renewable energy technology costs are coming down; and new smart grid and storage technologies are commercially available. With the growth of storage and distributed renewable generation, local energy systems will be increasingly two-way in nature – driving one of the biggest changes the systems have faced since Thomas Edison built the first electricity distribution system more than a hundred years ago². Updates to the province's net metering framework will broaden opportunities for consumers to generate their own renewable electricity and receive a credit toward their electricity bills for any surplus power they send to their local distribution grid.

Ontario will continue to support the involvement of Indigenous communities in the energy sector by evolving programming to better support the needs and interests of communities. The connection of remote communities to the electricity grid as well as innovations in the use of renewable powered microgrids also present opportunities for First Nation communities in the Far North to reduce their reliance on dirty, polluting diesel generation.

Conservation and energy efficiency remain our cleanest, most cost-effective resources, and through this plan we will reaffirm our commitment to a Conservation First policy. Through programs and improved codes and standards, we will drive towards our long-term electricity reduction target of 30 TWh in 2032, while continuing to assess the achievable potential for electricity and natural gas conservation. With Green Button, customers will be empowered to put conservation first in their homes and businesses through secure access to their energy data, and the use of new, interactive energy management tools. Improved grid analytics and innovative technologies will open up new ways for distributors to invest in energy efficiency on their distribution systems, achieving savings for their customers.

As Ontarians face the challenge of increasing climate change, they can take comfort that our investments over the past decade and a half have given us a solid foundation on which to reduce the greenhouse gases that comes from fossil fuels. In 2015, the government committed to a 37% reduction in GHG pollution by 2030, compared to 1990 levels. Our clean electricity system will help us implement the government's *Climate Change Action Plan* and pursue increasing electrification.

Energy, both electricity and fuels, is key to the well-being of all Ontarians. *The 2017 Long-Term Energy Plan* will ensure we can all depend on a reliable supply of affordable energy to power our households and businesses for many years to come.

¹ OEB 2015 yearbooks for electricity and natural gas

² The Thomas A. Edison Papers Project, Rutgers School of Arts and Sciences, <http://edison.rutgers.edu/lighting.htm>